Youth Employment Strategy: A Formative Evaluation of Youth Internship Canada and Other HRDC Youth Initiatives

Final Report

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Table of Contents

Executive Summary i

Management Response vii

1. Introduction 1
1.1 Purpose and Organization of this Report 1
1.2 Outline of the Youth Employment Strategy 1
1.2.1 YES Background 1
1.2.2 Objectives 2
1.3 Program Resources and Components 3
1.3.1 Program Resources 3
1.3.2 Program Components 4
1.4 Scope of the Evaluation 7
1.5 Methodology 8

2. Profile of Youth 11
2.1 Youth Population Trends 11
2.2 Education 12
2.3 Labour Market 13

3. Program Rationale for HRDC Youth Internship Programs 17
3.1 Introduction 17
3.2 The Rationale for Youth Internship Programs 17
3.3 Targeting 18
3.4 The Needs of Employers and Sponsors 20
3.5 The Characteristics and Needs of YIC Participants 22
3.6 Internships in Science and Technology 22

4. Selected Design Features of HRDC Youth Initiatives 25
4.1 Introduction 25
4.2 Client Tracking and Monitoring Systems for Youth Internship Programs 25
4.3 Other Program Design Features for Specific YES Components 27
4.3.1 Youth Internship Canada 27
4.3.2 Information Component 27
4.3.3 Human Resource Centre of Canada for Students (HRCC-S) 29
4.4 Roles and Responsibilities 30

5. Program Outcomes and Incrementality 33
5.1 Introduction 33
5.2 Youth Internship Canada 33
5.2.1 Impacts 33
5.2.2 Incrementality 38
5.3 Science and Technology Internship Program 40
5.4 Youth International Program 41
5.5 Student Business Loans Program 42

6. Interdepartmental Issues 45
6.1 Introduction 45
6.2 Implementation 45
6.3 Roles and Responsibilities 45
6.4 Interdepartmental Coordination 46
6.5 Value-added 46
6.6 Sustainability 47

Bibliography 49

Appendix A: Profile of YIC Participants 51

Appendix B: Profile of the Student Business Loans Program 53

List of Exhibits

Exhibit 1.1 Combination of Regular and New Funding 3

Exhibit 2.1 Youth Population Trends: Actual and forecasted — 1976 to 2016 11
Exhibit 2.2 High School Completion Rates (%) Among Individuals Aged 22 to 24 12
Exhibit 2.3 College and University Enrolments — 1976 to 1996 13
Exhibit 2.4 Youth Labour-Force Participation Rates — 1976 to 1996 13
Exhibit 2.5 Youth Employment Rates by Level of Education — 1976 to 1996 14
Exhibit 2.6 Youth and Adult Unemployment Rates — 1976 to 1997 15
Exhibit 2.7 Average Annual Earnings by Educational Attainment, 1995, Women and Men 15

Exhibit 3.1 Benefits of sponsoring or hiring youth (more than one response may apply) 21
Exhibit 3.2 Extent to which sponsors and employers think the interns' needs were met 21

Exhibit 4.1 How sponsors and employers learned of YES? (more than one may apply) 27
Exhibit 4.2 How participants who had initiated the internship learned about the program? 28

Exhibit 5.1 Current status of participants who have finished project 33
Exhibit 5.2 Future expectations of participants who are still with YIC employer 34
Exhibit 5.3 Influence of program on plans and prospects 35
Exhibit 5.4 If you had not received the job on the YIC project, what do you think you would be doing now? 35
Exhibit 5.5 Types of training received from employers by region (participants were allowed more than one answer) 36
Exhibit 5.6 Satisfaction ratings of aspects of the YIC project 36
Exhibit 5.7 Usefulness of work done by intern 37
Exhibit 5.8 Would employers have hired someone without the program by Region? 37
Exhibit 5.9 Would employers have hired someone without the program? 37
Exhibit 5.10 If intern had not been hired, who would have done the work? (more than one may apply) 38
Exhibit 5.11 Would employer have hired someone to do the work without financial assistance from HRDC? 38
Exhibit 5.12 Percentage of sponsors and employers satisfied with various aspects of the program 39

Exhibit A1 Demographic, Social and Program Characteristics of YIC Participants....52

Exhibit B1 Demographic, Social and Program Characteristics of Participants in Student Business Loans Program....54
Exhibit B2 Standard and Industrial Classification of Businesses by Province....55
Exhibit B3 Number of Employees....55
Exhibit B4 Received Case Counselling as Part of Program Participation by Province....56
Exhibit B5 Participated in Seminar as Part of Program Involvement by Province....56

Executive Summary

The purpose of a formative evaluation is to look at the early implementation stage of a program to examine whether the program is implemented according to its original plan and design, to look at uptake, delivery process and participants' satisfaction, and to provide early indications of program results.

This formative evaluation covers a selected group of HRDC youth programs under the Youth Employment Strategy (YES). At the request of Treasury Board, it also examines the coordination role of HRDC in the interdepartmental youth strategy, and some interdepartmental aspects of YES.

The formative evaluation will be followed by a summative evaluation to be completed in 2000. The summative evaluation will focus on the employment-related impacts of HRDC's youth internship/work experience programs.

Overview of YES

In February 1997, the Minister of Human Resources Development Canada announced the creation of a horizontal approach to dealing with youth issues, namely the Youth Employment Strategy. The Government of Canada announced this strategy to assist youth in gaining work experience, which would allow them to make the transition from school to work. It is with this in mind that the Government of Canada initially allocated $315 million over three years to YES. These funds were used by 12 federal departments and agencies, which have integrated their programs under seven youth initiatives within the strategy. On December 7th, 1998, YES was renewed and made permanent at $155 million per year.

The integration of youth programs within YES was accomplished by modifying existing programs and by creating new programs. For its part, HRDC integrated its existing youth programs: *Youth Service Canada (YSC), Youth Internship Canada (YIC) and Summer Student Job Action (SSJA)*. As well, the following programs were created: *Youth International (YI), Internships in Science and Technology* and the *YES Information component*.

Objectives

The primary objective of the HRDC youth programs within YES is to help youth prepare to get a job; to get and keep a job; to make a successful transition from school to work; and, to undertake this within the conditions that exist at the local level.

Underlying these objectives are four sub-objectives:

a) To address the information needs of youth;
b) To enable youth to gain work experience and to reach their potential as productive members of society through the implementation of internships in various streams;
c) To support youth who are facing multiple barriers to employment through team work experience in community projects; and,
d) To help secondary and post-secondary students prepare for future entry into the labour market by facilitating access to summer employment.

The Evaluation Process

Scope of the Evaluation

By the time the YES strategy was launched in 1997, some of HRDC's youth programs were already in the process of being evaluated or had been recently evaluated. These were the YSC program, the Summer Career Placement (SCP - the largest component of the SSJA) and the Sectoral Youth Internships. Therefore, the focus of this formative evaluation is on the remaining youth interventions of HRDC.

More specifically, this formative evaluation addresses issues related to the rationale of HRDC's youth internship programs and examines design features of a selected group of youth initiatives. It also provides preliminary results on the success of Youth Internship Canada, Youth International, and Internships in Science and Technology in assisting young Canadians in making school-to-work transitions.

In addition, the formative evaluation included some profiling activities on the following components: Human Resource Centres of Canada for Students, Student Business Loan Program, and the Information Component.

Finally, the evaluation examines the coordination role of HRDC in the interdepartmental youth strategy as well as some interdepartmental aspects of YES.

Methodology

The findings derived from the formative evaluation of YES originated from multiple lines of evidence utilizing the following methodologies:

Literature Review. The literature review comprises an extension of earlier work. The literature review included the recent Lessons Learned Report on the Effectiveness of Employment-Related Programs for Youth, prepared in June 1997 by HRDC.

Profile of Youth. A profile was developed that provided a historical, current and projected perspective of the youth cohort in Canada.

Survey of Employers/Sponsors. The Survey of Employers/Sponsors resulted in 1003 completed interviews and provides information on employers/sponsors participating in the Youth Internship Canada (978 employers/sponsors) and Youth International

(25 sponsors) programs. The information provided a profile of employers/sponsors; identified their roles; addressed issues associated with program rationale; program design and delivery; satisfaction with the programs; and, program outcomes.

Survey of Youth Internship Canada Participants. The Survey of Participants in Youth Internship Canada resulted in 400 completed interviews and provided information on the characteristics of interns for the fiscal year 1997-98, their experiences in the program, their views on program design and delivery, and immediate program outcomes.

Case Studies and Site Visits. Case studies address several components: specifically, Youth Internship Canada (six site visits), Youth International (four case studies) Human Resource Centres of Canada for Students (three site visits), and the Job Fairs (two case studies) sub-component of the YES Information component.

Document and Administrative Data Review. The review focused on the extent to which appropriate data is being collected to support program monitoring and the evaluation of program impacts of youth internship programs. The systems reviewed included National Employment Service System (NESS), Contact IV, and the Canadian Job Strategy-1 (CJS-1) file.

Key Informant Interviews. Interviews were conducted with individuals representing HRDC, other departments participating in YES, interdepartmental committees, and sector councils. Additionally, interviews were conducted with 43 participants in the Internships in Science and Technology.

Key Findings

Rationale for HRDC Youth Internship Programs under YES

Based on a review of the literature, the discussion of the rationale (or reasons) for youth internship programs under YES was divided into two parts: the rationale for implementing this type of programming; and, the types of young people who were likely to participate in the youth internship programs. The formative evaluation found that there is support in the literature for interventions that carefully choose groups that should participate in active labour-market programs (ALMP) such as Youth Internship Canada. However, the HRDC program documents specified only very general guidelines for the structure and content of internships, as well as broad participation criteria. The broad range of program participants raises the risk that resources may have been spent on youth who may have had a successful school-to-work transition without support from the program. As the literature documents though, careful targeting of ALMP is no simple matter in determining specific targets.

For its youth internship programs under YES, HRDC contributes funds, to private and public-sector associations and non-governmental organizations to develop projects that offer unemployed and underemployed youth work-experiences in their local labour market and in growth sectors of the economy. The majority of YIC employers

and sponsors interviewed during this evaluation felt that YIC assisted interns in making the transition to work. Both YIC employers and sponsors agreed that the internships allowed interns to gain new skills, to get a better understanding of what is expected in a work situation, and to offer interns work experience related to their career aspirations. Worthwhile to notice, on all questions related to this subject, sponsors consistently rated the internships higher than did employers. This may be due to sponsored projects tending to be more comprehensive, with various modules and often a training component, whereas employers in many cases provided youth-only work experience.

Youth Internship Programs Design

The formative evaluation addressed issues associated with the adequacy of the client tracking and monitoring system used to collect program-related information on participants and interventions for each of HRDC's youth internship programs. The key finding, relative to program design, pertains to the tracking and monitoring systems (Contact IV and NESS). Specifically, the evaluation found that participant information for many youth internship participants was not available at the time of the evaluation. Information pertaining to their participation could only be obtained by contacting employers and sponsors who then provided lists of participants. While this presents problems for the subsequent evaluation of HRDC's youth internship programs, the more serious problems relate to the lack of capacity to properly monitor the youth internship programs, to ensure that applicant criteria are being respected, and to the lack of information linked to client results to guide policy development and management planning with respect to targeting of clients.

Youth Internship Programs Outcomes and Incrementality

The time lapsed (about 6 months) between the completion of the youth internship projects by participants and the data gathering for the evaluation was too short to fully assess program impacts and effects. As a consequence, the formative evaluation focused on issues associated with satisfaction, current employment status and future prospects.

Youth Internship Canada Program

According to the survey of YIC participants, the program helped participants gain experience and, at the time of the evaluation, 50% of those who had completed their projects were still working for the same employer. An additional 17% were working full-time for another employer and 19% were working part-time also for another employer.

Overall, participants, sponsors and employers were very satisfied with the YIC. The majority of interns interviewed felt the program had allowed them to gain experience that will help them to obtain the kind of job they want (89%). Another large fraction of respondents reported that their participation in the program has helped them in

making choices about education (67%) and careers (75%). However, only 43% of participants were satisfied with the salary they received.

On the YIC employers' and sponsors' side, the large majority felt the work done by the intern was useful (70% for employers, 90% for sponsors). Almost all respondents felt the experience would improve the intern's chance of finding a full time job, the most frequent reasons given being the on-the-job experience, formal training and career-related experience. However, 39% of employers reported that they would have hired someone for the intern's position without YIC support. Furthermore, a quarter of all employers indicated that they would have hired the same individual as they did under the program without the financial assistance from YIC.

Science and Technology Internship Program

The 43 participants interviewed from the Science and Technology Internships program reported a high level of satisfaction with the program, stating that the internship provided them with experience and an opportunity to learn. A little more than one half of interns interviewed predicted that they would continue to work for the same employer after the project was completed.

Although many sector councils reported that positions are being developed specifically for youth interns, two out of nine sector councils reported that many of their interns would have been hired without the program. On the interns' side, a slight majority of participants interviewed (24 of 43 interns) indicated that if they were not currently in the internship program, they would most likely be employed (not necessarily with the same employer).

Youth International Program

Interviews with interns in the four case studies of Youth International projects indicated that, overall, the youth participants were satisfied with their internships. Most interns interviewed reported that they were gaining work experience, and would recommend the program to other youth. The employers reported that in many instances, if the interns continued to perform in the same satisfactory manner throughout the remainder of their internships, they would most likely offer the interns positions with their businesses upon completion of their internships.

Interdepartmental Issues

In addition to being responsible for its youth initiatives under the YES, HRDC is also the interdepartmental coordinator for the strategy. Key findings are presented along the following broad themes: implementation of the YES; roles and responsibilities; interdepartmental coordination; value-added of the strategy; and, sustainability of the YES.

The delays in launching YES and the subsequent program announcement, coupled with the short time frame in which to access YES funds, meant that in many cases

departments other than HRDC had little time to implement their YES programs. However, despite the problems with implementation, the departments were able to proceed with the strategy.

In order to facilitate the strategy's implementation, HRDC received the communication and coordination mandate for YES, essentially continuing its short-term mandate to chair the initial interdepartmental meeting. Largely due to this HRDC initiative and the cooperation of all departments involved, a common focus on youth has prevailed and provided a sense of direction for YES programming in other departments. As such, it appears that HRDC has functioned as effectively as it possibly could under these circumstances.

From the perspective of those interviewed from HRDC and the other departments, there is value-added in having a national interdepartmental strategy for youth employment. This is due in part to the fact that, as youth employment is a horizontal issue, YES has provided departments with an increased focus on youth. As such, departmental objectives have been tailored to encompass youth issues. The impact of this focus on youth is illustrated by the fact that departments were able to implement the strategy despite numerous initial problematic issues.

Although improvements have been made since the initial implementation of YES, questions remain regarding departmental accountability. For instance, one issue raised related to the international component of YES. Several departments deliver Youth International (YI) and it appears that multiple departments are approaching the same employers and sponsors, and in some instances the same participants. As well, the multiplicity of international programs may be creating the perception that duplication exists within YES in terms of YI programs.

Finally, at the time of the formative evaluation, most departments reported that without YES funding, they did not have monies available to continue the programs. In many cases, departments also indicated that YES funds did not adequately cover the cost of administering the programs within their departments. Several departmental representatives expressed the concern that should a gap in funding occur, the delivery of YES programs would be very difficult to restart. Since the completion of this formative evaluation, the funding for the YES set to end on March 31, 1999 has been made permanent.

Management Response

Canada's Youth Employment Strategy (YES), announced by the Minister of Human Resources Development Canada (HRDC) in February 1997, marked a new way for the government to provide young people with the necessary skills and work experience they need to be better prepared to make a transition into the labour market. Twelve departments and agencies, led by HRDC, were allocated $315M over the three years of the strategy. Following the announcement, the interdepartmental committees were created and implemented. They formed the creation of a horizontal approach and the commitment of the Government of Canada to youth and youth issues.

HRDC integrated youth programs within the YES by creating new programs and by modifying existing programs. The new programs created were Youth International, Internships in Science and Technology, and information and Awareness. Modifications were made to Youth Service Canada (YSC), Youth internship Canada (YIC), and Summer Student Job Action.

This formative evaluation provided an opportunity for HRDC to look at the program design and content; the delivery processes; interest; and, uptake of several of these programs including Youth Internship Canada and Internships in Science and Technology. It also provided an opportunity to review the interdepartmental process.

The evaluation's findings demonstrate the importance that participants attach to the work experience they received. Employers and sponsors felt the experience provided interns with new skills and valuable work experience. The three main implications of the evaluation and comments and action taken by the Youth Initiatives Directorate (YID) are noted below:

(1) Guidelines about participation and eligibility criteria for Youth Programs should be more specific.

Comments by YID: The program terms and conditions were developed with wide flexibility to enable the strategy to respond to youth frequently trapped in the job-experience paradox. The program operational guidelines support this approach, however it is recognized that more focused eligibility criteria may be required to increase program effectiveness. During the 1999-00 fiscal year, YID will explore the feasibility of developing more specific eligibility criteria to assist in identifying clients truly in need of youth programs.

The 1996 Ministerial Task Force on Youth report *Take on the Future* found the current federal youth employment programs — YSC, YIC, and the government's summer programs — were successful. However, the report acknowledged that there were additional initiatives needed to help youth gain experience in the areas of

technology and the international marketplace. In addition, it was clear that there were initiatives needed to assist those youth who face multiple barriers to gain access to the labour market.

The Government of Canada's response was to make the terms and conditions of existing programs more flexible by allowing youth normally between the ages of 15 and 30 to participate and ensuring that the needs identified by youth, employers, non-governmental organizations and other partners were addressed. Although not directly part of the YES, the February 1998 Federal Budget announced a comprehensive Canadian Opportunities Strategy in which incremental funding was announced specifically for initiatives targeted to youth facing multiple barriers to employment. Through the available programs and services, all unemployed youth will have an opportunity to benefit.

(2) The clients tracking systems used to collect information on participants and interventions and the capacity to monitor HRDC internship programs require significant improvement.

Comments by YID: The implementation of client tracking systems is an ongoing concern not only for HRDC internship programs, but for all areas involved in the delivery of active labour market programs. There are a number of issues that contribute to the situation and steps have been taken to address the issues.

Overall, the systems issues are tied to the capacity to deliver programs for youth and other interventions (within the directorates of the Human Resource Investment Branch). The legacy systems (NESS and Contact IV) have been enhanced to reflect youth requirements. As such the Department has greatly improved its capacity to collect information on participants. With the renewal of the YES, the capacity issues were addressed with additional resources being made available to Regions and NHQ. As program delivery is highly decentralised the responsibility for monitoring and tracking rests primarily with the regional and local offices. YIP however will continue to provide national support in addressing monitoring resource requirements and assisting regions with the implementation of their client tracking and monitoring activities.

YID is also committed to regularly scheduled conference calls with the Regions, and the further development and implementation of the On-Line Data Information Network (ODIN). This system ensures consistency of program delivery, monitoring of program and project activity, and sharing of best practices. NHQ is also committed to helping the Regions with capacity issues through staff training, hosting regional workshops and jointly developing additional tools to facilitate the effective delivery, monitoring and tracking of youth programs.

(3) Concerning the Interdepartmental Process: The delivery of the Youth International (YI) component of YES should be reviewed to ensure a coordinated approach between departments and to avoid unnecessary overlap and duplication in terms of clientele and program implementation.

Comments and action taken by YID: HRDC is the lead department responsible for interdepartmental coordination of YES. The work experiences and programs provided are centered on three themes: International; Science and Technology; and Summer. The formative evaluation has offered an opportunity to adjust the horizontal approach and coordination of the interdepartmental process.

In December 1998, YES was renewed. The two existing interdepartmental committees — Science and Technology and International — have since agreed to meet monthly to discuss operational delivery issues. The committees provide an opportunity to discuss operational policy issues such as eligibility of clients and sponsors, duration of internships and repeat clients. This information-sharing forum highlights best practices, enables the sharing of products and tools, and coordinates accountability and financial tracking of sponsors, clients and departments. The mid-year re-allocation and review of funds process will continue to be a responsibility of these committees.

Two other interdepartmental committees have been established — a Communications committee and an Evaluation committee. Plans are in place to establish a senior level (Director General) interdepartmental policy committee to provide strategic leadership to the departments involved with YES.

In conclusion, the formative evaluation has provided an early opportunity to review key components of YES, notably HRDC's youth internship programs. It also provided an opportunity to adjust programs, to review the horizontal process, and to respond to issues and concerns in the early stages of the YES delivery.

1. Introduction

1.1 Purpose and Organization of this Report

The purpose of this report is to present an overview of the results of the formative evaluation of Youth Internship Canada and other HRDC youth initiatives under the Youth Employment Strategy (YES). It also examines the coordination role of HRDC in the interdepartmental strategy. This report is organized as follows: Section 1.0 outlines the main elements of the Youth Employment Strategy and summarizes the scope and the methodology adopted by this formative evaluation; Section 2.0 presents a profile of youth; Section 3.0 addresses the rationale for HRDC's youth internship program under YES; Section 4.0 addresses the issues related to the design of youth internship programs and other selective youth initiatives; Section 5.0 discusses youth internship programs outcomes and incrementality; and Section 6.0 addresses Interdepartmental Issues. The formative evaluation will be followed by a summative evaluation to be completed in 2000. The summative evaluation will focus on the employment-related impacts of HRDC's youth internship/work experience programs.

1.2 Outline of the Youth Employment Strategy

1.2.1 YES Background

The Government of Canada has recognized the importance to the economic future of Canada to invest today in the labour force of tomorrow. To achieve this, it must recognize the specific needs of youth and ensure their participation in the work force.

According to Statistics Canada (employment data — 1996), young people in Canada have difficulty in making the transition from school to work. In October 1996, unemployment among youth was 16.8% compared to 8.7% among Canadians older than 24 years of age. Young adults with higher education have better employment prospects — the rate of unemployment among young people with a certificate of post-secondary education or a university degree was 11.4%, compared to 23.5% among those who have not completed high school.

It is much more difficult than it used to be to get a first job. Consulting with Canadians across the country in the spring of 1996, a task force on youth heard many young people as well as employers and other Canadians say that the greatest challenge that young people face today is getting their first job because they have no experience.[1]

The 1996 Speech from the Throne mentioned the difficulties young people face in Canada and challenged all partners to give them hope, to give them opportunities and to create jobs for them. The federal budget of February 1997 reiterated this as a goal.

[1] For employers, work experience has become an increasingly important hiring criterion. Transition from school to work has become more difficult in all occupations, regardless of the level of education of youth.

On February 12, 1997, the Minister of Human Resources Development Canada announced the creation of a horizontal approach to dealing with youth issues, namely the Youth Employment Strategy. The Government of Canada announced this strategy to assist youth in gaining work experience that would allow them to make the transition from school to work. It is with this in mind that the Government of Canada initially allocated $315 million to YES over three years.

These funds were used by 12 federal government departments and agencies which have integrated their programs under seven youth initiatives. On December 7th, 1998, YES was renewed and made permanent at $155 million per year.

The integration of youth programs within YES was accomplished by modifying existing programs and by creating new programs. For its part, HRDC integrated its existing youth programs funded by HRDC's ongoing Consolidated Revenue Funds (CRF): *Youth Service Canada, Youth Internship Canada* and *Summer Student Job Action.* As well, the following programs were created: *Youth International; Internships in Science and Technology;* and the *YES Information* component. In addition to being responsible for its YES programs, HRDC is also the interdepartmental coordinator for YES.

1.2.2 Objectives

The primary objective of the HRDC programs is to help youth prepare to have a job, to get and keep a job and to make a successful transition from school to work.

YES finances activities that contribute to achieving these objectives within the conditions that exist at the local level. To be more precise, the four major objectives are:

- to address the information needs of youth, by mobilizing community partners to stimulate awareness on youth related issues and to ensure that information such as that needed to find jobs, build skills, explore career options and plan for the future is readily available and accessible to youth;

- to enable youth to gain work experience and to reach their potential as productive members of society through the implementation of internships in such streams as science and technology, international trade and development, entrepreneurship, and sectoral- and community-based partnerships;

- to support youth who are facing multiple barriers to employment through team work experiences in community projects; and

- to help secondary and post-secondary students prepare for future entry into the labour market by facilitating access to summer employment.

1.3 Program Resources and Components

1.3.1 Program Resources

A total of $281 million was allocated to HRDC's youth programs for 1997–98, and $328 million has been allocated in 1998–99. These funds consist of a combination of HRDC's regular funding from CRF, YES new funding and EI Part 2. Exhibit 1.1 shows the resources allocated for fiscal years 1997–98 and 1998–99.

EXHIBIT 1.1
Combination of Regular and New Funding

Programs	Participants Expected 97–98	Resources 97–98	Resources 98–99
Existing Programs			
Youth Internship Canada (YIC)	15,000	$95M*	$90M
Sectoral Youth Internships (SYI)**	n/a	$20M	$18M
Youth Service Canada (YSC)	5,000	$50M	$100M
Summer Student Job Action (SSJA)			
• Partners in Promoting Summer Employment (PPSE)	*promotional campaign*	$0.6M	$0.6M
• Summer Career Placement (SCP)	30,000	$61M	$62M
• Student Business Loans (SBL)***	1,300	$0.03M	$0.03M
• Human Resource Centres of Canada for Students (HRCC-S) ****	830	$7M	$7M
Information component			
• Internet • 1-800 number • Youth Link Publication • Youth Info Fair	*promotional campaign*	$2M (spread over two years)	(see note in previous column)
Sub-Total — regular funding		**$236M**	**$ 278M**
New Programs			
Science and Technology (S&T)	500	$5M	$5M
Youth International (YI)	400	$10M	$15M
Summer Student Job Action (SSJA) Summer Career Placement (SCP)*****	15,000	$30M	$30M
Sub-Total — New YES funding		**$45M**	**$50M**
Total for HRDC YES resources (regular and new funding)		**$281M**	**$328M**

Source: Youth Initiatives Directorate

* Consists of $89M for YIC and $6M for a pilot project (international).
** SYI component is funded by EI part 2 Youth Pan-Canadian funds.
*** SBL is delivered through the Business Development Bank of Canada.
**** HRCC-S funding is from O&M.
***** SCP received an allocation of $30M in 1996–97 from new YES funding for a total of $90M.

Moreover, HRDC provides these programs with many of its Human Resources Officers who plan, administer and implement the different YES programs. These human resources are made available at three levels; namely, National Headquarters, Regional Headquarters and Human Resource Centres of Canada. For fiscal year 1998–99, HRDC will spend a total of $9.6 million to provide the human resources required to sustain its YES programs.

1.3.2 Program Components

There are six HRDC youth programs under YES, some of which have several components. First, this section describes the three youth programs that were already in place when the strategy was announced. It then describes the three initiatives that were adopted within the new framework of YES.

In summary, these HRDC youth initiatives provides work experience and access to relevant labour-market information to unemployed or underemployed youth and students as they move from school to work and into their first job. These programs are delivered through partnerships with business, labour, industry, not-for-profit organizations, communities and other levels of government.

Expansion of Existing Youth Programs under the Youth Employment Strategy

Youth Service Canada (YSC)

Youth Service Canada develops work opportunities for youth who face greater barriers to entering the labour market through participation in community service, team work projects. YSC projects challenge young people to invest their time, energy and expertise in their own communities. Through meaningful service projects designed and implemented by experienced community-based groups, young people acquire valuable job and life skills while strengthening their sense of accomplishment and their attachment to their community.

Participants are young people (normally under the age of 30) who are unemployed, out of school and legally entitled to work in Canada. Sponsors are businesses, organizations (including not-for-profit, employer, professional and labour associations), public health and educational institutions, band and tribal councils, and municipal governments.

Selection of projects is based on key elements such as local community needs, targeted group selection, relevant skills and experience, possibilities of long-term employment, contributions of sponsors and partners, and funding availability.

Youth Internship Canada

Community-based Component

This program creates entry-level opportunities for young people to make effective transitions from school to work. It also supports young people who want to start to

expand their own business. YIC enables young people to gain employability skills and practical work experience with an employer, as well as entrepreneurial skills.

Participants are youth, normally under 30 years of age, who are legally entitled to work in Canada. Partners include educational institutions, non-governmental organizations, private businesses, community organizations and other levels of government. These partnerships can provide financial or "in kind" contributions.

The primary employment outcome of the program is to provide young people with practical work experience with an employer that will help them get a job.

Sectoral Youth Internships

Sectoral Youth Internships (SYI) program is a private-sector driven collaboration between governments, industry and educational and training institutions to respond to the challenge of providing stronger linkages between school and the world of work. The objective of SYI is to bring about systemic change by encouraging and supporting the creation of structured pathways, "owned" by employers, educators and participating youth, from the education system to jobs in emerging and expanding industries.

Working through National Sector Councils, SYI projects provide school-to-work transition models that are innovative and more relevant to the needs of both the private sector and participating youth.

All partners, including the private sector, make significant contributions to these projects. Federal government contributions are concentrated in "up-front" development costs and do not include the payment of income support. In this way, private-sector ownership and commitment of outcome increases while long-term sustainability and replicability is more realistic. SYI projects also provide youth with transferable knowledge and skills that contribute to the mobility of the Canadian labour force.

Since 1994, Sectoral Youth Internship projects have been launched in nine sectors: Canadian Automotive Repair and Service Council (CARS), Tourism, Horticulture, Logistics, Environment, Electrical/Electronics (EEMAC), Software, Aviation Maintenance and Women in Trades and Technology. Although some projects are as short as 9 to 18 months, most are for periods of two or three years.

Summer Student Job Action

There are four components to the Summer Student Job Action (SSJA). A description of each of the four components follows.

The *Human Resource Centre of Canada for Students* is the first component. In this component, over 800 students are hired to work in the HRCC-S network, which provides summer placement services for students. This component offers group

information sessions on résumé writing, looking for a job, and preparing for an interview.

The second component is *Summer Career Placement*. This program offers wage subsidies to create jobs that relate to the career choices of the students. This is the key element of the initiative of the federal government in job creation for students. It aims at providing work experience during the summer months and provides funds to return to school in the fall.

The third component is the *Student Business Loans* program. The program is active in Newfoundland, Quebec, Manitoba, Saskatchewan, Alberta, British Columbia and the Northwest Territories (Nova Scotia, Prince Edward Island, New Brunswick, Ontario offer a similar program through their provincial governments). It provides financial assistance to students who wish to get into business and to those who are sufficiently motivated and enterprising to create their own summer jobs.

The fourth component is *Partners in Promoting Summer Employment*. The objective is to promote the hiring of students for summer employment and in this context, government and businesses work together to encourage employers to hire students.

New Initiatives Adopted Within the Framework of the Youth Employment Strategy

HRDC has created new programs to help youth make the transition from school to the labour force and address their information needs. These new programs are the *HRDC Youth International; Internships in Science and Technology;* and, the *YES Information* component. A description of these programs follows.

Youth International

HRDC Youth International provides youth with internationally focused work experience and is offered in partnership with the private-sector and non-governmental organizations. These internships, mainly in international trade and development, provide youth valuable work experience, mentoring and contacts in other countries. In 1997–98, the budget for this program was $10 million and made provision for 400 Youth International internships.

Internships in Science and Technology

Internships in Science and Technology is delivered by 10 National Human Resource Sector Councils in fields related to science and technology. These internships provide opportunity to young Canadians to gain work experience that can lead to longer-term employment in growing sectors of the economy. In 1997–98, the budget for this program was $5 million and planned on providing work experience to 500 young people.

YES Information Component

The *YES Information* component, which aims to address the information needs of young people in Canada, uses technology such as the Internet and more traditional methods such as a 1-800 number, a yearly publication *(Youth Link)* and information fairs on employment for youth organized in locations such as shopping malls. The budget allocated for this component is $2 million spread over several years.

1.4 Scope of the Evaluation

As indicated above, HRDC's Youth Employment Strategy is comprised of ongoing youth programs (YSC, YIC and SSJA) and the newly created initiatives (YI, Internships in Science and Technology and the YES Information component). By the time the strategy was launched in 1997, some of HRDC's youth programs were already in the process of being evaluated or had been recently evaluated. These were the YSC program, the SCP component of SSJA and the SYI.

Therefore, the focus of this formative evaluation is on the other HRDC youth initiatives either newly created or not yet evaluated, namely: YIC (the community–based components) YI and Internships in Science and Technology. Eight generic evaluation issues have guided this formative evaluation in assessing youth internship programs. They relate to:

Generic Issues	Programs
1. How YES addresses youth employment-related needs?	YIC, S&T*
2. How satisfied are participating youths with various aspects of YES?	YIC, YI, S&T
3. How YES responds to sponsors/employers needs?	YIC, S&T
4. How YES assists youth in obtaining employment?	YIC, S&T
5. For what reasons do some participants remain unemployed	YIC, S&T
6. How YES establishes links between employers and youth?	YIC, YI, S&T
7. How YES assists participants in making the school-to-work transition?	YIC, S&T
8. Are the activities under YES incremental, that is, over and above activities that employers would have undertaken in the absence of program funding?	YIC, YI, S&T

* S&T = Internships in Science and Technology

This evaluation also reviews certain aspects of the youth information component and the remaining sub-components of SSJA (Human Resource Centres of Canada for Students, Student Business Loan Program and the Information Component) with respect to program delivery and profiling of selected activities.

Finally, the formative evaluation also addresses, at the request of the Treasury Board, issues covered in section 6 of this report under the following themes: implementation of the YES; roles and responsibilities; interdepartmental coordination; value-added of the strategy and, sustainability of the YES.

1.5 Methodology

This report presents the findings obtained from multiple lines of evidence. A summary of each methodology used is presented below. In the conduct of this formative evaluation, one of the significant problems confronting the study team was the lack of participant information to support the youth internship programs and to support the participant data requirements of the evaluation. The information on youth internship participants was not systematically entered into the electronic databases, therefore it was not possible to construct a sample frame of the entire population of participants nor profile their characteristics.

Profile of Youth

A profile was developed that provided a historical, current and projected perspective of the youth cohort in Canada. This provided a context for the evaluation analysis and will allow readers to develop one point of reference from which to view the results from the formative evaluation. This profile will help readers situate the youth cohort in relation to the Canadian population as a whole.

Literature Review

The literature review comprises an extension of earlier work. The literature review included the recent *Lessons Learned Report on the Effectiveness of Employment Related Programs for Youth*, prepared in June 1997 by HRDC, particularly sections on programs targeting "at-risk" youth. Identification of new studies for the literature review focused on programs designed for those who are not severely disadvantaged and on analysis of the issues of "deadweight loss" (providing aid to those who would have succeeded without it) and appropriate targeting.

Survey of Employers/Sponsors

The Survey of Employers/Sponsors resulted in 1003 completed interviews and provides information in relation to employers/sponsors in YIC and YI[2]. The information collected provided a profile of employers/sponsors; and addressed issues associated with program rationale, program design and delivery, satisfaction with the programs, and program outcomes.

[2] Of the completed interviews, 25 were completed with YI employers and sponsors. Given the small number of cases, only combined results are reported.

Survey of YIC Participants

The Survey of participants provides data in relation to YIC interns for the fiscal year 1997-98. The survey resulted in 400 completed interviews and provided information on the characteristics of interns, their experiences in the programs, their views on program design and delivery, and immediate program outcomes.

Case Studies and Site Visits

Case studies address several components of YES; specifically, YI (four case studies) YIC (six site visits), HRCC-S (three site visits), and the Job Fairs sub-component of the YES Information component (two case studies).

Review of the YES Information Component

An important aspect of HRDC programs under YES is its Information component. However, the Information component appears to be less well known than some of the other components. As a result, a profile of the Information component with some assessment by youth of the utility of its products or "tools" was undertaken.

Document and Administrative Review

The review focused on the extent to which appropriate data is being collected to support the evaluation of impacts of youth internship programs.

Key Informant Interviews

Interviews were conducted with individuals representing HRDC, evaluators and program managers within other departments, interdepartmental committees, and sector councils. Additionally, interviews were conducted with participants in Internships in Science and Technology.

2. Profile of Youth

This profile is based on demographic information as well as information concerning the education and labour-market performance of the youth cohort. The profile pays particular attention to how the circumstances of the youth cohort have changed over time and what is anticipated in the future. This time-series approach allows us to address the extent to which the challenges and difficulties faced by youth continue to evolve. Note that for this profile,[3] we have defined a youth to be an individual aged 15 to 24.

2.1 Youth Population Trends

As illustrated in Exhibit 2.1, the size of the youth cohort has changed substantially over the past 20 years and will continue to change over the next 20. First, we see that between 1976 and 1996 the population of the youth cohort dropped by 14%. This is due to the fact that 1976 was near the end of the population growth spurt caused by the baby boom generation (those born between 1946 and 1964), and as such, the size of the youth cohort in 1976 was relatively large.

EXHIBIT 2.1
Youth Population Trends: Actual and forecasted — 1976 to 2016

	1976*	1986*	1996**	2006***	2016***
Youth population (thousands)	4,666	4,469	4,041	4,457	4,573
Youth share of total working age population	30%	25%	20%	19%	18%

Source: Statistics Canada

* Census (cat. No. 91-537);
** CANSIM Matrix 6367 (post-censal estimate);
*** CANSIM Matrix 6900 (projections)

Furthermore, we see that not only has the youth cohort decreased in an absolute sense, its size relative to the total working age population (individuals 15 to 64) has decreased by an even greater magnitude. The 10 percentage point decrease between 1976 and 1996 in the youth share of the total working age population represents a decline of 34%, meaning that the youth cohort now represents a substantially smaller proportion of the total working age population.

The projected demographic composition of the youth cohort after 1996 reveals that by 2016 the youth population is expected to grow by 16%, returning to its 1976 level. However, the youth share of the working age population will remain at 1996 levels since most of the baby boom generation will still be of working age.

[3] The definition of youth used in this profile was selected because of data availability. Note that this definition differs from that used to determine YES program eligibility (youth under 30) and may therefore impact conclusions that can be drawn from this profile.

2.2 Education

Given the range of ages that the youth cohort encompasses, this discussion of youth education begins at the high school level and is followed by a discussion of the college and university level.

High School

Two obvious choices as an indicator of the degree of high school education are dropout rates and enrolment rates. However, neither indicator is without drawbacks. High school dropout rates have typically not been well captured by administrative data sources and while high school enrolment rates are available, the lack of national time-series data for these rates makes documenting their trend difficult. Instead, the indicator selected for this analysis is high school completion rates.

The HRDC–Statistics Canada School Leavers Follow-up Survey shows that amongst all 22 to 24 year olds in 1995, 85% had completed high school. The proportion of males who had completed was markedly lower, at 81%, than females at 89%. Exhibit 2.2 illustrates how these proportions vary across provinces both by gender and in total.

EXHIBIT 2.2
High School Completion Rates (%) Among Individuals Aged 22 to 24

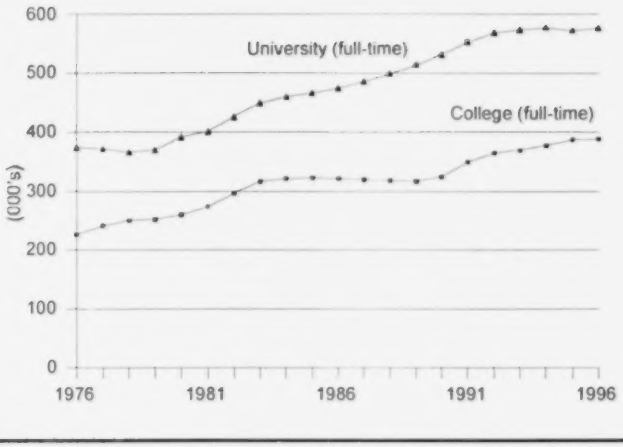
	Males	Females	Total
Canada	81	89	85
Newfoundland	76	82	79
Prince Edward Island	76	85	80
Nova Scotia	82	88	85
New Brunswick	80	91	86
Quebec	76	86	81
Ontario	84	92	88
Manitoba	78	91	84
Saskatchewan	84	91	87
Alberta	82	91	86
British Columbia	85	88	86

Source: School Leavers Follow-up Survey, 1995

College and University

Less than half of the proportions of high school graduates (from cohort shown in Exhibit 2.2) were enrolled in some form of post-secondary or tertiary education one year following the initial survey. This proportion of 40% in 1996 was the highest net enrolment of all OECD countries, and indeed was almost twice the mean enrolment rate of 22% for these countries. Statistics Canada's published data, presented in Exhibit 2.3, show that post-secondary enrolments rose steadily between 1976 and 1996. Furthermore, the proportion of students *within* the youth cohort has increased, and while fairly unchanged for those 15 to 19, has been steadily increasing for those aged 20 to 24.

EXHIBIT 2.3
College and University Enrolments — 1976 to 1996



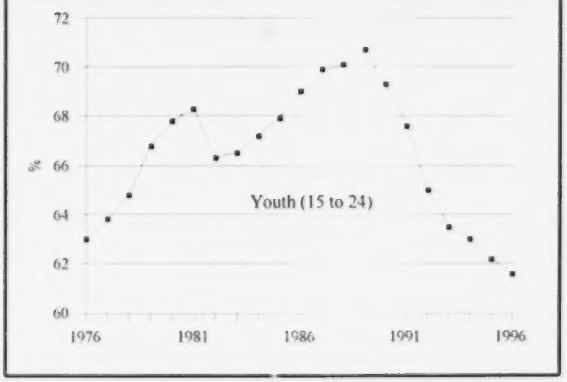
Note: Preliminary estimates for 1995 and 1996 college enrolment and 1996 university enrolment

Source: Statistics Canada

2.3 Labour Market

While both demographics and education come to bear on our profile of youth, the question of primary interest is how the youth cohort have fared in the Canadian labour market. In order to examine this, we have utilized a number of measures or indicators of labour market success. We see in Exhibit 2.4 that the youth labour force participation rate in Canada began a marked downward trend after 1989.

EXHIBIT 2.4
Youth Labour-Force Participation Rates — 1976 to 1996

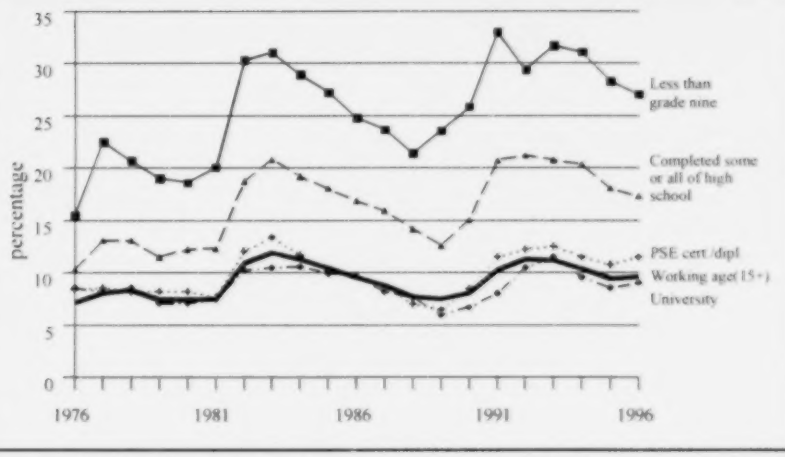


Source: Labour Force Survey, averages over Jan.–Apr., Sept.–Dec. school year for the decomposition since 1989.

The Labour Force Survey indicates that, since 1989, 44% of the decline in youth labour force participation has been due to increased school enrolment and 38% has been due to declining student participation in the labour market. The remaining 18% is accounted for by declining labour force participation rates for non-students. HRDC research (*What is Happening to Canadian Youth?* Applied Research Branch (mimeo), HRDC) suggests that this fall in the labour force participation rate is permanent and related to youth perceptions of the importance of acquiring skills to help ensure a more stable and fruitful attachment to the labour force. The perceptions of youth are confirmed in Exhibit 2.5 below which indicates that youth with some post-secondary education (PSE) — a post-secondary certificate or diploma or university degree — have lower unemployment rates than those with high-school education or less. Although it is not noted in Exhibit 2.5, the trend in the unemployment rate for individuals with some PSE is slightly higher than for individuals who have a PSE certificate or diploma.

EXHIBIT 2.5

Youth Employment Rates by Level of Education — 1976 to 1996

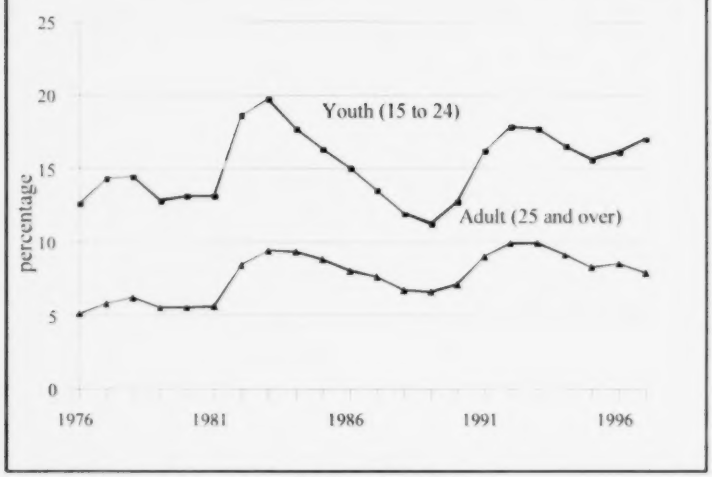


Note: "Working Age (15+)" refers to the aggregate unemployment rate of those Canadians 15 and over, regardless of their level of education.

Source: Labour Force Survey, annual averages

Note that the unemployment rate of those with less than high-school education has worsened markedly over the past 20 years. We see in Exhibit 2.6 the unemployment rate of youth in aggregate compared with persons 25 years old and over. The youth unemployment rate is almost double the unemployment rate for the population aged 25 and over. Relatively high unemployment rates in the early 1990's have affected youth more seriously than Canadians over 25. Labour Force Survey data for 1996 indicates that for the first time in the past 20 years, the two unemployment rates moved in opposite directions, with the situation for youth getting worse while individuals over 25 were more likely to be employed than in the previous year. While

EXHIBIT 2.6
Youth and Adult Unemployment Rates — 1976 to 1997



Source: Labour Force Survey, annual averages

one year does not make a trend, these results may indicate that youth experienced difficulty in participating in the growth in employment opportunities that occurred in 1996. If so, this is a very different phenomenon than occurred starting in 1983 when youth benefited from a growth in jobs to a much greater degree than adults 25 and older.

An examination of Exhibit 2.7 indicates that average annual earnings vary by the level of education completed. The earnings for those persons having completed post-secondary education are much greater than those who have not completed PSE.

EXHIBIT 2.7
Average Annual Earnings by Educational Attainment, 1995, Women and Men

Educational Attainment	Women	Men
Less than grade nine	$14,037	$22,631
Some secondary	$11,723	$21,928
High-school graduate	$18,887	$28,544
Some post-secondary	$15,047	$23,656
Post-secondary certificate or diploma	$21,514	$33,148
University degree	$32,489	$47,610

Source: Statistics Canada, Catalogue No. 13-217-XPB, January 1997

While the unemployment rates for youth completing post-secondary education (PSE) are comparable to the working population aged 15 and over, the unemployment rates for youth having a secondary education or less are much higher. As well, earnings for those persons having completed PSE are much greater than for those not completing PSE.

3. *Program Rationale for HRDC Youth Internship Programs*

3.1 Introduction

This section addresses the issue of program rationale only with respect to the HRDC youth internship programs that are part of the Youth Employment Strategy. As indicated in Section 1, the YSC, SCP, and SYI programs were recently evaluated and the program rationale issues for these components have already been addressed in those evaluations.

With respect to the youth internship programs, it is useful to divide the discussion of the rationale into two parts. First, what might have been the rationale for (or reasons for) implementing these type of youth internship programs envisioned for YES? Second, what might have been the rationale for choosing to target the particular types of young people who were likely to participate in these programs? In this section, we use the literature review to address these two questions. We then rely on some results from surveys with YIC employers, sponsors, and participants to analyse how these programs meet the needs of both interns and employers. The final section of this chapter provides a preliminary profile of Science and Technology interns and also describes a number of employer and sponsor needs.

3.2 The Rationale for Youth Internship Programs

The youth internship programs that form part of YES are hybrids of wage subsidy programs (in which the government pays part of the wage of participants), and work-based education programs (in which employers/sponsors receive subsidies for providing a combination of work experience and job training). At a very general level — before considering the ways in which these actual internships were put in place — there is strong support in the literature for such internships.

Layard *et al.* (1991, pp. 472–473) argue that "a major determinant of the level of unemployment is the search effectiveness of the unemployed," and that there are two ways for the government to improve that "search effectiveness":

> The first is to take a tougher line on benefits [available to unemployed workers], and the second is to offer active help in training and the provision of jobs. Benefits can be made less attractive by cutting their value, by reducing their duration, and by stiffening the work test. ... However, many individuals do need active help in fitting themselves for work and in persuading employers of their fitness... There is thus a strong efficiency and equity case for giving active help to the unemployed.

While most countries, including Canada, are now taking a "tougher line," benefit levels in Canada are already less generous and less long-lived than their European counterparts. Therefore the scope for taking a "tougher line" may be somewhat limited in Canada.

Because of the education (work experience and on–the-job training) intended to be part of the youth internship programs, the internships might potentially improve the ability of the interns to find work. Because the education takes place on the job, as opposed to taking place in schools, the internships also help young people and employers to find each other. The internships are clearly intended to give "active help to the unemployed and underemployed" and are therefore part of the general trend toward active labour market policy (ALMP) in western industrialized countries.

Thus, the overall vision of the youth internship programs, stated in very general terms in program documents, is supported by the literature. However, based on the document review and key informant interviews, there seems to have been very little detailed guidance given to either Youth Internship program sponsors or Human Resources Centres of Canada (HRCCs) as to the structure or content of the internships. Instead, internship program sponsors and HRCCs were allowed to determine the structure and content. In and of itself, such decentralization, almost unavoidable, might be a good approach, since the program allows the possibility that internships can be created in light of local conditions. However, since it was not possible to obtain detailed information about the structure and content of the internships, we could not verify whether the theoretical vision of the internships was realized at the local level.

3.3 Targeting

The literature is quite clear about the importance of targeting or choosing the groups that should be allowed to participate in ALMPs. Poorly targeted programs run the risk of devoting significant resources to individuals who are not in need of help or of helping some individuals only at the expense of others. The literature is quite clear that minimizing this risk requires that ALMP target "outsiders" — individuals who would remain outside the labour force in the absence of the program.

HRDC has not established strict eligibility criteria for participation in its youth internship programs. Rather, a very broad definition of "young" was adopted, with all those under 30 having the potential of being considered for participation in the program if out of school, unemployed or underemployed.

In practice, the absence of precise targeting by the programs could mean that participants in the youth internship programs may include significant numbers of young people who could have succeeded had the programs not existed. In other words, they could have had a successful transition from school to work and obtained their first job without the help of a program. Moreover, some interns may have been hired only at the expense of other, more "in-need" young people. From our

interviews with key informants, there was little evidence that the targeting issue was carefully considered before the programs were implemented.

Even if more resources are devoted to careful targeting, the literature documents the significant challenges posed by targeting efforts. Some of the youth internship programs require the participation of private firms. Private firms will be willing to hire only workers who can be productive enough to be beneficial to the firms. However a common perception is that employers seem to view young people as being unreliable in terms of their work habits and willingness to stay on the job for long periods.

Finding workers who are both "long-term unemployed" and acceptable to potential employers leads Robertson (1994, p. 38–39) to suggest that a wage subsidy program for Canada should seek out individuals who have been unemployed for a long time or who are unemployed and at risk of being unemployed for a long time; and are job-ready in the sense that they do not have problems that involve "their attitude, language skills, or their personal skills."

Policy makers who try to follow this targeting advice in connection with programs for young people may find themselves in the following quandary. The goal is to help those most in need of help — the long-term unemployed and other "outsiders." Yet these are precisely the group that employers may not want to hire. The group that is both at risk of long-term unemployment and that is acceptable to employers may be quite small. One way around the problem is to allow employers to use the program to screen potential employees, hiring the ones that meet their needs and quickly laying off those who do not.

The latter solution conflicts with another of the goals usually accompanying programs for the long-term unemployed. Writing in the specific context of targeted wage subsidy programs, Robertson notes (p. 7) that the goal of programs for the long-term unemployed should not be "just a job" but a job that will provide training and the potential for advancement:

> ... the long run effect of a wage subsidy, if it is effective, is to improve the productivity, employment prospects and wages of the targeted groups.

Thus one horn of the dilemma faced by policy makers is that a program that both requires the participation of private employers and targets workers known to be the most disadvantaged may fail either because employers refuse to hire the target group or because the employers refuse to provide any meaningful training.

The other horn of the dilemma is that even if policy makers target a less disadvantaged group, employers are likely to hire only workers who are *not* among the most disadvantaged. Since those workers will be the ones most likely to succeed even if the program did not exist, the risks of misdirecting scarce resources are heightened.

Greenwood (1997, p. 1) poses the dilemma as follows:

> A program can make a modest improvement in the situation of many people whose employment problems are not too serious (and for whom, therefore, the scope for achieving sizable impacts is limited). Or it can try to help the seriously disadvantaged who face multiple barriers to employment. In this case, those who benefit will likely benefit a great deal. But many participants will drop out and many others will not succeed despite the intervention; therefore, the *average* impact will be modest. It is important to decide whether it is more important to provide broad coverage with a program or to provide help to those who need it the most.

There is support in the literature for active labour market programs that are carefully aimed at labour market "outsiders." The program documents for HRDC youth internship programs specified only very general guidelines concerning the structure and content of the internship programs. Also, the internship programs are open to a fairly wide range of individuals under 30 years of age. The broad range of youth internship program participants raises the risk that significant resources have been spent on youth who may have had a successful transition from school to work without support from the programs. As the literature documents though, careful targeting of ALMP is no simple matter in determining specific targets. It is important to consider the incremental impacts that HRDC youth internship programs provide participants. An incremental analysis of youth internship programs will be undertaken by the summative component of this evaluation.

3.4 The Needs of Employers and Sponsors

The survey of employers and sponsors also addressed issues associated with program rationale. Analysis of this survey indicates that the YIC programs was designed to meet the needs of interns, employers, and sponsors.

Employers[4] and sponsors[5] were first asked how they benefited by hiring youth. The most frequent responses, with the percentage of respondents expressing each view, are shown in Exhibit 3.1 (more than one response was possible). For both sponsors and employers, the main benefits in hiring youth are first to develop future employees and second, to bring new ideas and creativity to the workplace. Sponsors thought, in a larger proportion than employers, that hiring youth also enables them to engage in new activities and services.

Interestingly, 15% of employers said that youth are easier to train as they are not set in their ways, a response that was not given by any sponsors.

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4 Employers can be private, public and not-for-profit organizations. For international activities, employers must have an international focus and expertise.

5 Sponsors can be businesses, organizations (including not-for-profit, employer, professional and labour associations), public health and educational institutions, band or tribal council, and municipal governments.

EXHIBIT 3.1
Benefits of sponsoring or hiring youth (more than one response may apply)

	Sponsors	Employers
Developing future employees	49%	42%
Brings new ideas/creativity	33%	35%
Able to engage in new activities/services/work	27%	19%
We give something back to the community	16%	—
Easier to train/educate/not set in their ways	—	15%
(number of respondents)	(79)	(832)

Source: HRDC Survey of Employers and Sponsors, 1998

The youth internship programs are designed to focus on the needs of youth in making the transition from school to the labour market. In cases where the internship was completed, employers and sponsors were asked about several aspects of the intern's needs and the extent they felt these were met through the program. The majority of respondents assigned a rating of either 4 or 5 on a five-point scale (where one indicates "not at all" and five indicates "very much"), as presented in Exhibit 3.2.

EXHIBIT 3.2
Extent to which sponsors and employers think the interns' needs were met[1]

	Sponsors Agreeing		Employers Agreeing	
	%	(N)*	%	(N)*
The internship was related to the intern's future career	100	(23)	75	(671)
The internship increased the intern's understanding of what is expected in a work situation	100	(25)	84	(725)
The intern met your expectations with respect to the skills the intern brought to the job	97	(24)	71	(729)
The intern gained new skills from the internship	93	(25)	90	(733)
The internship was related to the intern's education	85	(25)	55	(719)
The intern possessed skills which were in short supply in your organization	–	–	44	(728)

Source: HRDC Survey of Employers and Sponsors, 1998

* the number of respondents
[1] Respondents who rated the statement a 4 or 5 on the 1 (not at all) to 5 (very much) scale are considered to agree with the statement.

Among both sponsors and employers, a very large proportion of respondents agree that the internships allow the interns to gain new skills, to get a better understanding of what is expected in a work situation and to offer interns work experience related to their career aspirations. On all questions, sponsors consistently rated the internships higher than did employers. Employers were more likely than sponsors to give ratings of one or two points on all questions.

Employers were also asked if the intern possessed skills that were in short supply in the organization. Forty-four percent assigned a rating of four or five to this question

indicating that the skills were in short supply, while 32% gave this a rating of one or two.

In summary, the majority of respondents to the Survey of Employers and Sponsors felt the program is of value to the interns in making the transition to work, with employers giving the YIC program a somewhat lower rating in this area. This may be due to sponsored projects tending to be more comprehensive, with various modules and often a training component, whereas employers in many cases provided only work experience.

3.5 The Characteristics and Needs of YIC Participants

The survey of YIC participants provided an interesting profile of the characteristics of youth accessing this program. The complete profile is presented in Appendix A.

Highlights of characteristics include:

- slightly more males than females (58% versus 42%) participated in YIC;
- 66% of YIC interns had some or had completed post-secondary education or training;
- 12% of YIC interns had less than a high-school education;
- the majority (93%) of YIC interns were within the prime target age group for YES (under age 30), about 6% of the interns were over the age of 30; and,
- at the time of the interview, some 13% of YIC participants reported leaving their projects prior to completion — the most commonly cited reason was to return to school —reported by 9% of early leavers. Employers terminated only 2% of interns. Approximately, 56% of the interns interviewed had completed their project, but 31% were still ongoing.

3.6 Internships in Science and Technology

A survey of participants (43 in total) and interviews with senior personnel for each participating sector council were undertaken for the Internships in Science and Technology Program. The following profile of interns in Science and Technology was obtained from this survey.

The age of participants interviewed is included in the table below:

Age Groups	Internships in Science and Technology Number of Participants Interviewed
20 – 23	7
24 – 27	24
27 – 30	11
Greater than 30	1
Total	43

Source: Interviews with Participants in Internships in Science and Technology Program

According to one of the nine key informants from the sector councils, the age restriction posed a difficulty because people are returning to school for upgrading or training in science and technology programs. In many instances, these "older" graduates were not eligible under this program.

The educational level of most interns was at the university level (38) with three interns having a college education and two interns who reported having graduated from high school. Interviews with the key informants from sector councils revealed that, for the most part, interns had an educational background in science and technology.

Due to the large differences between sectors, the employment-related needs of youth vary considerably between sectors, according to key informants. In some of the sectors, youth with science and technology training are in high demand and are recruited directly out of school. As a result, their needs are fairly minimal. This is in comparison to other sectors where youth need specific additional skill enhancement, which requires additional resources from their employer or sponsor. In some instances, the sector council is able to match interns with employers. This indicates that this contact link is important for those youth who wish to be employed in the sector but are unable to find an employer or sponsor.

Similar to the variety of needs of youth, the needs of employers and sponsors of youth appear to vary greatly according to sector. In some sectors, the cost of developing a new position for a science and technology graduate is very high. This program allows for some compensation. In other sectors, the employers need to invest in on-the-job skill enhancement, which takes senior resources for training and monitoring. As a result, the program is able to compensate for some of the expense. One possible indicator of the usefulness of the program for employers and sponsors is that some of the sectors' key informants report that most of the employers who signed up for the program had not previously participated in HRDC programming.

In some of the sectors where science and technology skills are in high demand, small and medium enterprises (SMEs) reported to the sector councils that the funding from the program made them more competitive with larger companies. Using the program subsidy, they are able to add to their starting salary for graduates. This makes these companies more attractive to new graduates. It should be noted that making smaller companies more competitive for already scarce graduates may not be within the objectives of this program. In these cases, there appears to be more positions than candidates. This raises the question of the actual need for a program among some of these sectors.

HRDC finances a wide range of activities under the youth internship programs aiming to help youth make a successful transition from school to work. The employment needs of the youth participants in the internship programs vary greatly. This is why it

will be important to examine to what extent the interventions offered under the youth internship programs have met youth employment needs and have improved labour-market prospects for young Canadians. This will be further investigated by the summative evaluation.

4. Selected Design Features of HRDC Youth Initiatives

4.1 Introduction

This chapter addresses first the issues associated with the adequacy of the client tracking and monitoring system used to collect information on participants, and interventions for HRDC's youth internship programs. Also addressed are design features that were specific to the youth internship programs, the Information component and Human Resource Centres of Canada for Students. The concluding sub-section addresses the roles and responsibilities of HRDC in the context of program delivery of youth initiatives under YES.

4.2 Client Tracking and Monitoring Systems for Youth Internship Programs

At the time the formative evaluation was being conducted, the client tracking and monitoring mechanisms in place to collect information on participants in youth internship programs were found to have the following problems:

- The delivery of youth internship programs was not conducive to the electronic capture of participant information. The HRDC case management process used to deliver other programs, such as employment benefits and support measures (EBSM), is more closely involved with the clients themselves than the process for delivering youth internship programs. Typically, HRDC youth coordinators contract with sponsors or employers who are responsible for capturing participant information. In comparison to other HRDC clients, the internship participants are not case managed by HRDC or sponsors to the same degree.

- At the time of the evaluation, systems (NESS and Contact IV) designed to capture participant information for youth internship programs were either not fully deployed or not fully used to capture required youth outcomes. While NESS was eventually modified to accommodate youth clients, Contact IV has not been deployed to the extent anticipated by HRDC. Contact IV is designed for use by HRDC third-party service providers (employers and sponsors) who usually have a long-term arrangement with HRDC to provide employment services to clients and track client information. Youth internship sponsors and employers tend to have shorter-term relationships with HRDC, assisting fewer clients than traditional HRDC third-party service providers. At the time, participant information was generally not entered in either Contact IV or NESS. Since April 1, 1998, HRDC has required the capture of HRDC's internship participants information for accountability purposes.

- While some participant information was in the systems, some information was also stored in paper project files. At the time of the evaluation, HRCCs intended to enter this information in NESS but this process was either in the preliminary stages or had not yet started in most HRCCs. HRCCs are aware of the importance of entering this information for accountability purposes. The level of effort devoted to ensuring that information systems such as NESS and Contact IV are kept up to date varies somewhat among regions and HRCCs.

- The CJS-1 system at HRDC contains information on all youth projects including information on sponsors, employers, and project costs, as well as the number of participants for each project. In fact, the number of participants is often inaccurate. The number of participants for a project is initially entered in the system when a project is approved. If the number of participants changes after approval, the budget and expenditures are usually changed accordingly; however, the number of participants is often left the same. Past experience and consultation with HRDC Management Information System (MIS) staff indicate that this problem is prevalent, but there is no information available on the degree to which the data is inaccurate.

- Management information systems at HRDC relies on data from CJS-1, NESS, and Contact IV. Information from the MIS system will not be accurate for youth programs until the systems feeding it are updated with all required participant information. During the evaluation field work, HRDC did not appear to have the capacity to update these systems in a timely manner.

- Within the interdepartmental reporting process, the major source of information used to monitor the Youth International and Internships in Science and Technology is the quarterly reports. These reports rely on information provided by YES participating departments. While the available information identifies the numbers of participants and expenditures by program component, participant information such as level of education and employment equity characteristics are not generally available. This could limit the extent to which these youth internship programs can be monitored to ensure adherence to program criteria and could present barriers to planning and policy development.

Participant information on many youth internship program participants was not available at the time of the evaluation. For these missing participants, information pertaining to their participation could only be obtained by contacting both employers and sponsors who then provided lists of participants. While this presents problems for the subsequent evaluation of HRDC's youth internship programs, the more serious problems relate to the lack of capacity to properly monitor the program to ensure that applicant criteria are being respected, and the lack of information linked to client results to fully guide, policy development and management planning with respect to targeting of clients.

4.3 Other Program Design Features for Specific YES Components

4.3.1 Youth Internship Canada

Most project stakeholders (including HRDC personnel, project sponsors, employers and youth participants) perceive that the YIC is providing the degree of flexibility necessary to meet the needs of participants.

According to the information collected during site visits to YIC projects, an operational constraint repeatedly mentioned by interviewees was delays in the start-up of projects caused by the process of obtaining HRDC approval for the projects, prior to the project's implementation. While awaiting approval, several projects (four out of six) suffered delays ranging from 3–6 months. These delays were particularly problematic for projects that targeted seasonal occupations, such as the construction industry. In many cases, by the time approval was obtained and projects began, many employers were no longer interested or available to provide work experience for the participants.

4.3.2 Information Component

The survey of YIC employers and sponsors addressed the Information component of YES by asking respondents how they had learned of the program. Both sponsors and employers learned about the program in similar ways — primarily from the HRCC, through a variety of media, through previous participation in the program and through business contacts.

There was some variation in the percentage reporting each source, which appears to reflect the nature of the program design as well as the roles and recruitment practices of sponsors compared to employers. For example, employers reported (Exhibit 4.1) learning of the program from interns and personal contacts more frequently than sponsors, whereas sponsors heard about the program more frequently from the HRCC and through previous participation. Few employers and sponsors mentioned advertising as a source.

EXHIBIT 4.1
How sponsors and employers learned of YES? (more than one may apply)

	Sponsors*	Employers
HRCC office	56%	44%
Business contact	13%	18%
Intern brought it to our attention	—	9%
Advertisements (e.g. newspaper)	7%	8%
Word of mouth/family/friends/customers	—	7%
Participated/applied for program in previous years	14%	5%
(number of respondents)	(88)	(845)

Source: HRDC Survey of Employers and Sponsors, 1998

* All other responses not presented were given by less than 5% of sponsors.

The survey of YIC participants examined how participants who had initiated the internship learned of the program. The most frequently mentioned sources are shown in Exhibit 4.2. Most participants who approached employers and informed them about YIC had heard about the program from friends or relatives (38%) or from an HRCC (22%).

EXHIBIT 4.2
How participants who had initiated the internship learned about the program?

From a friend or relative	38%
From HRCC	22%
From the newspaper or radio	11%
Heard about it at work/employer	8%
From a provincial government official	7%
At school or college	5%
Internet	4%
Other[1]	5%
Total	100%
(number of respondents)	(86)

Source: HRDC Survey of YIC participants, 1998

[1] All other responses were mentioned by less than 2% of respondents.

Youth Career Info Fairs

The Youth Info Fairs appear to provide an overall benefit to its youth participants. The wide variety of information and industry representation demonstrated to youth the extent of opportunities available to them. Furthermore, as one Info Fair volunteer stated, the wide array of information on government programs and services available to them "demonstrates to youth that there are people available and willing to help them find employment." Although most fair attendees did not feel that links were established with employers, a significant number of participants had the intention of applying to the businesses encountered at the fair. These "soft" links between youth and employers contributed to the benefits provided by the Youth Career Info Fairs.

The fair presents an important opportunity to bring community players together, working for the common objective of assisting the youth of the community in their transition from school to employment. From an intergovernmental point of view, the level of cooperation was high as evidenced by fairs investigated, the large number of booths or displays represented by municipal, provincial and federal governments.

However, some concern exists amongst employers that Youth Info Fairs targeted a crowd that was too young to appreciate the labour market information disseminated to them and to understand the viability and importance of the public and private programs and services available.

From an organizational point of view, sufficient time to properly plan and organize youth job fairs appears to be an important element of the planning phase. One of the

Info Fair coordinators contended that improvements could have been made to the event had more time been allotted (approximately nine weeks had been allocated to plan and organize the Info Fair). However, in the absence of additional planning time, a clearly defined vision and specific goals delineated prior to the planning phase of the event may assist in improving the overall organization of future youth fairs. It should also be noted that there does not appear to be any mechanisms in place that would ensure "best practices" are documented and used to ensure all regions can learn from the experiences of others.

Youth Link

Several questions were asked of all respondents (survey of 400 YIC participants) about the HRDC *Youth Link* publication. This is a booklet that describes federal government programs for youth. It was discovered that:

- 96% of respondents did not obtain a copy;
- Of the 12 participants who did obtain a copy, nine found the information they needed; and
- Six interns obtained their copy from the HRCC, two at a job fair, two requested a copy, and one person said it came in the mail.

4.3.3 Human Resource Centre of Canada for Students (HRCC-S)

In the HRCC-S component, over 800 students are hired to work in the HRCC-S network, which provides summer placement services for students. This component employs students to help other students find summer jobs and offers group information sessions on résumé writing, looking for work, and preparing for an interview.

Analysis of the findings from site visits to three HRCC-S indicated that the mandates, objectives, hiring practices and clientele are generally uniform across these centres. It should be noted, however, that the availability of resources dedicated for student client use is not consistent among the centres. For instance, one of the HRCC-S, whose area of service and number of clients appear to be similar to another neighbouring one, currently has three computers (equipped with software packages and access to the Centre's job bank), a laser printer and photocopier for student use, while the other HRCC-S, does not possess any resources strictly for student use. Presently, this latter HRCC-S staff utilizes their own HRCC computer systems to assist student clients (i.e. with their résumés, cover letters, etc.). As a result, the availability of their own computers, which would otherwise be used for other essential HRCC-S tasks (i.e. updating job orders, accessing employer client databases, etc.) is restricted, as is the amount of time that can be dedicated to each student client.

The HRCC-S appear to offer a number of benefits to both youth and employers. Specific examples include:

- employment of students to deliver the programs and services of the centre allow for:
  — student clients to be served by their peers;
  — promotion of students as valuable employees in the community;
- student clients being provided with easy access to understandable information;
- access to resources necessary for seeking employment (computers, printer, fax and résumé writing);
- employer clients being provided with information on minimum work standards;
- availability of an employment counselling service; and,
- availability of a job posting service for employers.

4.4 Roles and Responsibilities

Regions and Local HRCCs

Overall, the regional HRDC key informants reported that the roles and responsibilities for themselves in relation to the local program delivery officers were clear and well understood. In a few instances, regional personnel explained that they dealt with public inquiries that could have been better dealt with at the local HRCC level. In other cases, regional personnel reported that, at times they were asked by program officers to make decisions that should really have been made at the local level. Most of these they attributed to having relatively new program delivery officers at the local level.

All key informants reported good and frequent communication between their regional offices and local HRCCs.

Regions and NHQ

Overall, the key informants described their roles and responsibilities in relation to NHQ as clearly understood from their perspective.

The key informants reported good communication *from* NHQ. However, some of those interviewed questioned whether regional and local concerns were always well understood *at* NHQ. Specific areas where it was felt that regional and local concerns were not well understood by NHQ include:

- local labour-market situations;
- the impact of resource shortfalls on program delivery at the local level;
- the impact of Labour Market Development Agreements on youth programming; and
- NHQ making assumptions about youth needs that may no longer be valid.

HRDC and Other Federal Departments

One of the main concerns that over half of the key informants expressed was that the interdepartmental youth strategy, while having useful components, was almost too vast to be clearly understood. Roles and responsibilities in relation to other federal departments became difficult to understand for some local program delivery officers as they received inquiries from youth and sponsors regarding other federal government programs under the Strategy. The majority of representatives reported that local HRCCs found it difficult to keep up with all of the different programming, their sources, and their applicability for different youth and sponsors.

Over half of the key informants interviewed cited communication at the local level and between federal departments as an area for improvement. The suggested improvements were to limit overlap between programs, to ensure that as many target groups as possible were being served, to make program delivery structures more efficient, and to reduce confusion for youth and sponsors.

5. Program Outcomes and Incrementality

5.1 Introduction

This subsection of the overview addresses program outcomes and provides an indication of program incrementality. The time frame between when the participants had completed their internships and when the evaluation was conducted was relatively short (about 6 months). As a consequence, the formative evaluation focused upon issues associated with satisfaction, current employment status and future prospects. Findings are presented for YIC and Internships in Science and Technology. A profile of Student Business Loans is provided at the end of this section to illustrate the characteristics of businesses developed under this youth initiative.

5.2 Youth Internship Canada

5.2.1 Impacts[6]

The survey of YIC participants indicates that 50% of interns who have completed their YIC project are still working for the YIC employer. Those in the private sector are the most likely to be working with their YIC employer (69%) and a very high percentage (70%) of those whose internships were with the public sector are working part time with another employer. Exhibit 5.1 provides the details.

EXHIBIT 5.1
Current status of participants who have finished project

	Private	Not for profit	Public	Overall
Working for YIC employer	69%	35%	18%	50%
Working full time for another employer	16%	23%	2%	17%
Working part time for another employer	3%	21%	70%	19%
Receiving Employment Insurance	4%	2%	8%	4%
Receiving social assistance	—	2%	—	—
Not working and not receiving EI or SA	8%	18%	2%	9%
Total	100%	101%	100%	100%
(Number of respondents)	(156)	(66)	(50)	(272)

Source: HRDC Survey of YIC Participants, 1998

All other responses were less than 1%

Only 13% of the interns left their projects prior to completion. The most common reason for early termination (18% of early terminations) was to return to school.

6 Some sub-groups results in this section are based on small number of observations. Statistical reliability is weaker in these cases for inference about results.

Of the 259 respondents still with their YIC employer, 119 are in ongoing YIC projects and 140 have finished their YIC project but have been kept on by the YIC employer. The 259 respondents who are still with their YIC employer were asked a series of questions about their future expectations regarding their employment. 62% expected to be kept on indefinitely by their YIC employer. The 38% who do not expect to be with their YIC employer indefinitely were asked whether they expected to be able to find a job within six months of finishing with their YIC employer. Exhibit 5.2 summarizes these results.

EXHIBIT 5.2
Future expectations of participants who are still with YIC employer

Expect to be with YIC employer indefinitely	62%
Do not expect to be with employers indefinitely	
Expect to be able to find a job within six months of finishing	27%
Do not expect to be able to find a job within six months of finishing/don' t want a job	1%
Don't know/refused to answer	10%
Total	100%
(number of respondents)	(259)

Source: HRDC Survey of YIC Participants, 1998

Of the 69 YIC participants who expect to find a job within six months, 97% expect that the job will pay an acceptable wage and 70% expect that they will be able to find the job within the community where they currently live.

Several questions were asked in the survey of YIC participants on how their experience in the YIC program had influenced their plans and prospects for the future. The vast majority of participants felt the program had allowed them to gain experience that will help them to obtain the kind of job they want. Another large fraction of respondents reported that their participation in the program has helped them in making choices about education (67%) and careers (75%). Few felt it led them to change their minds in regard to their desired work (25%) and expectations of finding that kind of job (25%). The percentage of respondents who rated these questions either 4 or 5 on a five-point scale (1=strongly disagree, 5=strongly agree) is reflected in Exhibit 5.3.

EXHIBIT 5.3 Influence of program on plans and prospects		
	Participants who agree[1]	
	%	(N)*
The experience you gained on the project will help you obtain the kind of job you want	89	(400)
Working on the project has helped you plan your career	78	(399)
Working on the project has helped you decide on a specific career you want to pursue	75	(397)
You decided that you will need more education or training to get the kind of job you want	67	(398)
You changed your mind about the kind of job you want	25	(396)
You changed your mind about the kind of job you expect to be able to obtain	19	(396)

Source: HRDC Survey of YIC Participants, 1998

* = the number of respondents
[1] either agree or strongly agree

Respondents were asked what they thought they would be doing now if they had not received the job under YIC. The responses, indicating most (58%) expected they would be working, are shown in Exhibit 5.4.

EXHIBIT 5.4 If you had not received the job on the YIC project, what do you think you would be doing now?	
Working	58%
Unemployed and looking for work	20%
Working and attending school	12%
Attending school	9%
Self-employed	1%
Other	1%
Total	100%
(number of respondents)	(365)

Source: HRDC Survey of YIC Participants, 1998

Over 90% of respondents were optimistic about being able to do the type of work they would like to do two or three years from now, with no variation in this level among responses when considered by region, gender or education level of participant.

When respondents were asked what would be the greatest challenges they would face in being able to do the type of work they would like to do in two to three years, the most commonly identified challenges were limited job opportunities (25%) and the

need to acquire special skills (23%). Almost a quarter of respondents (22%) reported that they would not face any challenges.

Sixty-seven percent of participants were provided with training as part of their internship. On the job training, mentoring or coaching — the most common type — was received by 63% of those who said they were trained. There are regional differences in whether or not training was received. Participants in Quebec were the least likely to receive training (43% did not receive training). Sixty-eight percent in Western Canada received training, 75% in Atlantic Canada, and 78% in Ontario.

EXHIBIT 5.5
Types of training received from employers by region (participants were allowed more than one answer)

	Atlantic	Ontario	Quebec	West	Total
No training	25%	22%	43%	32%	33%
Training Received	75%	78%	57%	68%	67%
Orientation or preparatory training	24%	20%	13%	35%	24%
Formal on-site training	10%	17%	38%	2%	15%
Formal off-site training	18%	20%	2%	6%	11%
On-the-job/coach/mentoring	55%	47%	5%	59%	43%
(number of respondents) - Total	(62)	(101)	(88)	(138)	(389)

Source: HRDC Survey of YIC Participants, 1998

Ninety-four percent of those who received training thought it was sufficient to allow them to do their jobs on the YIC project well. Only 25% of those who did not receive training thought they should have.

Given the formative nature of the survey, satisfaction with the program is important as an indication of the appropriateness of program design and delivery. The views of YIC participants regarding satisfaction with the program are reflected in Exhibit 5.6.

EXHIBIT 5.6
Satisfaction ratings of aspects of the YIC project

	Participants who are satisfied[1]	
	%	(N)*
Opportunities to learn	81	(399)
Orientation provided	73	(395)
Feedback on your performance	72	(340)
Providing the experience that you need	68	(395)
Salary	43	(390)

Source: HRDC Survey of YIC Participants, 1998

* = the number of respondents

[1] Satisfaction is defined as giving a 4 or 5 on the 1 (very poor) to 5 (very good) scale.

In general, the satisfaction ratings of different aspects of the program are quite high, with the exception of salary. Only 43% of participants were satisfied with the salary

they received.[7] The most satisfaction existed with the opportunities to learn provided by the internship, with 81% indicating satisfaction.

The large majority of both employers and sponsors felt the work done by the intern was useful to the employer. Exhibit 5.7 sets out the responses. (Note that only 60 of the 92 sponsors gave an opinion on this question. For the others the question was not relevant, given their role in the program, which is to provide training only).

EXHIBIT 5.7
Usefulness of work done by intern

	Sponsors	Employers
Very useful	90%	70%
Useful	10%	27%
Not useful	—	3%
Total	100%	100%
(number of respondents)	(60)	(910)

Source: HRDC Survey of Employers and Sponsors, 1998

Almost all respondents felt the experience would improve the intern's chance of finding a full time job (97% of sponsors and 95% of employers). The most frequent reasons given were the on-the-job experience, formal training and career-related experience.

As indicated in Exhibits 5.8 and 5.9, considerably fewer employers from the Atlantic provinces (26% versus 39% for all provinces) and from non-profit organizations (19% versus 39% for all employers) said they would have hired someone to do the work without financial support.

EXHIBIT 5.8
Would employers have hired someone without the program by Region?

	Atlantic	Ontario	Quebec	West	All Provinces
Yes	26%	40%	43%	39%	39%
No	69%	49%	48%	53%	52%
Not sure	5%	11%	10%	9%	9%
Total	100%	100%	100%	100%	100%
(number of respondents)	(118)	(257)	(361)	(173)	(909)

Source: HRDC Survey of Employers and Sponsors, 1998

EXHIBIT 5.9
Would employers have hired someone without the program?

	Private	Not for profit	Public	Overall
Yes	42%	19%	40%	39%
No	47%	76%	54%	51%

[7] Satisfaction is defined as rating the item a 4 or 5 on the 1 to 5 scale where 1="very poor" and 5="very good."

Not sure	11%	5%	6%	10%
Total	100%	100%	100%	100%
(number of respondents)	(683)	(111)	(116)	(910)

Source: HRDC Survey of Employers and Sponsors, 1998

The reasons given on why the financial assistance was important were fairly consistent among sponsors and employers. Employers in the Atlantic provinces and Ontario cited financial reasons more than those in Quebec and the Western provinces. The lower level of experience was not as important to the Atlantic employers.

Employers were asked how they would have had the work done without the intern. The majority of employers (61%) would have assigned the work to existing staff.

EXHIBIT 5.10
If intern had not been hired, who would have done the work? (more than one may apply)

Full-time employees	61%
Would not have been done or would have been postponed	22%
Part-time employees	9%
All employees/other employees would have helped out	6%
Volunteers	3%
Would have hired temporary agency help	3%
Would have contracted out the work	3%
(number of respondents)	(486)

Source: HRDC Survey of Employers and Sponsors, 1998

Note: All other responses were given by less than 3% of respondents.

5.2.2 Incrementality

Survey results with employers show that 39% of employers said they would have hired someone anyway, 27% would have paid the same wage and 25% would have hired the same person. Only 3% of employers would have hired someone with the necessary skills and experience, as detailed in Exhibit 5.11.

EXHIBIT 5.11
Would employer have hired someone to do the work without financial assistance from HRDC?

Would have hired someone to do work	39%
Would have paid the same wages	27%
Would have hired the same individual	25%
Would have hired someone already with necessary skills and experience	3%
(number of respondents)	(910)

Source: HRDC Survey of Employers and Sponsors, 1998

Note: All other responses were only given by one respondent.

In terms of satisfaction with the internship programs, the majority of both employers and sponsors rated questions on the program delivery as either four or five on a five-point satisfaction scale (1=very dissatisfied, 5=very satisfied), with a couple of exceptions. Exhibit 5.12 sets out the responses.

EXHIBIT 5.12
Percentage of sponsors and employers satisfied with various aspects of the program

	Sponsors		Employers	
	%	(N)*	%	(N)*
The overall quality of service provided	93	(88)	91	(895)
The initial information which you received about the program	72	(87)	86	(886)
The ease of the application process	69	(88)	87	(898)
The timeliness of the approval process for applications	47	(89)	87	(882)
The assistance provided by the staff at the HRCC office	91	(89)	92	(864)
The current method of paying the wage subsidy to sponsors and employers	83	(76)	86	(884)

Source: HRDC Survey of Employers and Sponsors, 1998

* = the number of respondents
[1] Respondents who rated an item a 4 or 5 on the 1 (very dissatisfied) to 5 (very satisfied) scale are considered to be satisfied

Sponsors of internship projects were slightly less satisfied with the initial information and the ease and timeliness of the approval process. Sponsored projects are usually more complex in design than those of employers, and in most cases involved considerably more funds. It is likely that these took longer to make it through the approval process. All projects (sponsor and employer) had to be reviewed at the local, regional and national levels of HRDC until about a year ago, when authority to approve contracts up to $150,000 in value was decentralized to regions. It is likely that many of those surveyed had gone through this centralized approval process.

The vast majority of respondents said they would be interested in participating again (97% of sponsors and 91% of employers).

Site Visits to YIC projects

The site visits revealed that most YIC projects assisted youth in obtaining employment, upgrading employment and/or becoming self-employed. For instance, in one project, 22 of its 23 graduates were able to find employment beyond the required job placement. One year following their graduation, 16 of the 23 participants continued to be employed in the industry.

Most site visit interviewees noted that YIC provided participants with improved earnings potential and increased levels of employability. For instance, in one case, the sponsoring agency reported that program participants were all very positive about the internship and felt that the program had been beneficial to them. Furthermore,

according to the sponsor representative, one of the project's participants reported that were it not for this YIC program, she would still be receiving income support.

YIC appears to have succeeded in establishing links between employers and youth. In most cases, the links with employers were attributed to the job placements and on-the-job orientation components of the program.

In summary, survey results show that the YIC helped participants gain experience and 50% of those who have completed their projects are still working for the same employer. An additional 17% are working full time for another employer. Participants, sponsors and employers are very satisfied with the YIC support. However, 39% of employers reported that they would have hired someone for the intern's position without YIC. Furthermore, a quarter of all employers (25%) indicated that they would have hired the same individual as they did under the program without the financial assistance it provided.

5.3 Science and Technology Internship Program

Although many sector councils reported that positions are being developed specifically for youth interns, key informants from two of the sector councils stated that many of the youth hired as interns would have been hired with or without the program. As a result, in some instances, it appears that the program had limited value added. Given the demand for science and technology graduates in certain sectors, it appears that in some cases, not only would the position have already existed, the same person hired under the program would have been hired to fill it. It should be noted that this is not the situation in all sectors interviewed.

The interviews with some 43 participants revealed that the majority of interns reported having a university degree (38), with a large fraction having attended school at some point in the last year (28). Eleven of the interns stated that they had received income support or student loans in the six months previous to starting their internship. They identified the income support as primarily being EI. Nine interns reported that they had been unemployed and looking for work at some point in the six months prior to being hired as an intern. Twenty-five interns reported that they had held at least one paying job between when they last attended school and when they started the internship.

Slightly more than half of the participants interview in Internships in Science and Technology (24) indicated that if they were not currently in the internship program, then they would most likely be employed. Five interns predicted that they would currently be unemployed and looking for work if they were not working as an intern.

Overall, participants reported a high level of satisfaction with program. The majority responded that the internship provided them with good opportunities to learn (41 interns), and provided the experience they felt they needed (42), and many indicated they hoped to be doing the same type of work two to three years from now (27).

Other employment-related needs they identified as being fulfilled by the program were career planning and helping to establish links with other employers in the sector. Slightly more than half of interns (24) interviewed predicted that they would continue to work for the same employer after the project was completed.

Participants' expectations and challenges

The majority of interns (27) reported that they anticipate doing the same type of work three years from now that they are currently doing in their internship. Other interns anticipated participating in the following activities:

- managerial tasks (4);
- returning to school (4);
- working in the film industry (3);
- designing textiles (1);
- working in research and development (1); and,
- doing more in the area of sales (1).

Most interns (38) report being somewhat to very optimistic about the prediction of what they would be doing two-to-three years from now. The greatest challenges they see facing them are limited job opportunities (16), the need to acquire special skills (6), and their limited relevant experience (4).

The participants reported a high level of satisfaction with the Internships in Science and Technology Program, stating that the internship provided them with experience and an opportunity to learn. Out of nine sector councils, two indicated that many of their interns would have been hired without the program. On the interns' side, slightly more than half of participants (24 of 43) interviewed stated they would have a job without the program (not necessarily with the same employer).

5.4 Youth International Program

Interviews with interns in the four case studies of Youth International projects indicated that, overall, the youth participants were satisfied with their internships. Most interns interviewed reported that they were gaining work experience, and would recommend the program to other youth. The one area with which interns reported lower levels of satisfaction was the allowance and wages provided to them by the various projects. All four projects studied were underway at the time of the evaluation and no participants had completed their internship at that point. The employers reported that in many instances, if the interns continued to perform in the same satisfactory manner throughout the remainder of their internships, they would most likely offer the interns positions with their businesses upon completion of their internships.

5.5 Student Business Loans Program[8]

As part of the formative evaluation, the administrative data pertaining to the Student Business Loans Program was reviewed. Results on 1172 participants participating in the program during the fiscal year 1997–1998 were analyzed. This program, administered through the Business Development Bank of Canada, provides interest-free loans of up to $3,000 for students to start their own summer business. Business counseling, seminars and workshops on how to start a business are also provided.

Basic Characteristics of Participants

A detailed profile of participants of the Student Business Loan Program is presented in Appendix B. This information shows that:

- Men (71%) are more likely to have participated in the program than women (29%).
- Students as young as 14 participated in the program, with most of the students being between 16 and 24. The median age of participants was 18.
- Students were about equally likely to be in high school or university. Nineteen percent of students were in college when they received funding.
- Saskatchewan and Alberta have the highest percentages of participants.
- 84% of participants received maximum funding ($3000).
- Half of the students received case counselling as part of their involvement in the program and 8% went to a seminar. (4% of all participants both received case counselling and went to a seminar.)

It is interesting to note that, while in most cases funding was given to individual applicants, in 5% of cases funding was given to a group of applicants to help them start a single business. In these cases, instead of applying individually, groups of students applied to the program and were in all other respects treated the same as individuals applying for the program.

Types of Businesses Started under the Student Business Loan Programs

Both the Standard Industrial Classification of the businesses started and the number of employees are included in the Student Business Loan data set. This information shows that in Manitoba and Saskatchewan, the majority of businesses started are in the agricultural industries. Alberta also has a high proportion of businesses started in the agricultural industries and in service industries incidental to agriculture.

Provinces other than Manitoba, Saskatchewan and Alberta have a greater mix in the type of industries in which businesses were started. In Newfoundland there is a wide range, with the highest concentration, 20%, being in the food service industry. Most of the businesses are in the "other" category. Similarly, Quebec has a high

[8] This program is only offered in provinces where there are no provincial program equivalent to the federal initiative.

percentage of businesses in the "other" category (45%), and another important cluster in the trade contracting industries (34%). In British Columbia, 24% of businesses started are in the trade contracting industries, 18% are in the business service industries and 37% in "other."

The following relationships exist with type of business started:

- 71% of those in high school have businesses in agricultural industries and another 5% in service industries incidental to agriculture. This compares with 43% of college students and 27% of university students.

- Not surprisingly, therefore, younger students are by far the most likely to start a business in the agricultural industries, with 80% of all 14-to-15 year olds starting their business in this area, decreasing to 9% of those 30 or older. Those 20 and older are much more likely to start a business in the trade contracting industries.

- CEGEP and university students are the most likely to have businesses in the trade contracting industries. (35% and 28% respectively).

Those who started businesses in services to buildings and dwellings are the least likely to have received maximum funding, with 58% receiving $3000 compared with 84% of all participants. Ninety-five percent of those in the agricultural industries and 100% of those in service industries incidental to agriculture received $3000.

Men are almost four times more likely than women to have gone into trade contracting industries whereas women are one-and-a-half times more likely to have started a business in agricultural industries. Despite this, because more men than women received funding through the program, more men set up agricultural businesses through the program than women.[9]

[9] 202 women set up businesses in the agricultural industries compares with 333 men. More men set up businesses in all categories than women.

6. *Interdepartmental Issues*

6.1 Introduction

The evaluation examined, in the context of the Youth Employment Strategy, various interdepartmental issues. Evaluation findings have been grouped and presented along the following broad themes: Implementation; Roles and Responsibilities; Interdepartmental Coordination; Value-added and Effectiveness; and Sustainability.

6.2 Implementation

Initially, the launch of YES faced a number of issues. First, due to delays in launching YES, the time frame in which funding was received left little time to implement YES programs in departments other than HRDC. As well, YES programming criteria was not finalized until after departments had implemented their programs and signed third-party delivery agreements. In some instances, this resulted in having to change the basis for these agreements after the fact. The process created a circumstance in which both federal departments and sponsors lost credibility with employers. However, although the implementation of YES was initially problematic, the departments were nevertheless able to forge ahead with the strategy.

Second, a number of issues regarding competing departmental interests arose. However, due in part to YES providing a focus on youth in all departments, and with the coordinating assistance of HRDC, these issues were eventually resolved.

6.3 Roles and Responsibilities

No formal and explicit comprehensive mandate has been put in place with which to guide YES. However, HRDC did have a mandate to chair the initial interdepartmental committee meetings for Science and Technology and Youth International programs. As well, it was mandated to chair a meeting in September 1997 to reallocate YES monies across departments. In order to facilitate the strategy's implementation, HRDC received the communication and coordination mandate, essentially continuing its initial short-term mandate. Largely due to this HRDC initiative and the cooperation of all departments involved, a common focus on youth in all departments has prevailed and provided a sense of direction for YES programming in other departments. As such, it appears that HRDC has functioned as effectively as it possibly could under these circumstances.

However, although improvements have been made since the initial implementation of YES, questions remain regarding interdepartmental accountability. For instance, the issue of which department should have the mandate for all international programs remains unresolved. In some cases, within the International component of YES, multiple departments are "pursuing" the same employers and sponsors, and in some instances the same participants.

Several departments also commented that from the perspective of participants and employers, the multiplicity of programs and the proliferation of similar programs across departments created confusion for employers and participants. It was felt that this created the perception that a great deal of duplication of programs exists among departments.

6.4 Interdepartmental Coordination

The mechanism that was put in place to ensure interdepartmental coordination of YES were four interdepartmental committees: the Communications Interdepartmental Committee; Science and Technology Interdepartmental Committee; International Interdepartmental Committee; and the Interdepartmental Evaluation Committee. As well, most departments have internal committees to guide the implementation of their YES components.

Two issues were found to exist regarding interdepartmental coordination. First, the lack of continuity over time for personnel participating on some of the interdepartmental committees seems to have adversely affected the committees' effectiveness and efficiency of some committees. Second, as aboriginal youth are the clientele of many departments, there appears to be a need for a better mechanism to share information specifically related to this group.

Despite the significant questions and issues that still exist, departments have managed to implement the strategy. This appears to have been due to the fact that YES has provided all departments with a common focus: youth. As well, while key informants recognized that HRDC faced a very difficult task in coordinating all departments, the majority praised the department for its efforts and the results attained.

6.5 Value-added

From the perspective of those interviewed from HRDC and the other departments, there is value-added in having a national interdepartmental strategy for youth employment. In part this is due to the fact that, as youth employment is a horizontal issue, YES has provided departments with an increased focus on youth. As such, departmental objectives have been tailored to encompass youth issues. The impact of this focus on youth is exemplary in the fact that departments were able to implement the strategy despite numerous initial problematic issues, including significant delays in the start-up of the initiative.

6.6 Sustainability

The interviews revealed that without YES funding, most departments do not have monies available to continue the programs. In many cases, departments also indicated that YES funds did not adequately cover the cost of administering the programs within their departments. Several departmental representatives expressed the concern that should a gap in funding occur, the delivery of YES programs would be very difficult to restart.

Should YES programming be extended beyond the existing three-year commitment, several interviewees suggested that participating departments be notified of this fact (including any changes to the terms and conditions) well in advance of the current program termination date.

(Note: On December 7, 1998, the Prime Minister announced the renewal of the Youth Employment Strategy. The strategy set to end on March 31, 1999 has been made permanent at $155 million a year)

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Appendix A: Profile of YIC Participants

Youth Internship Canada

Exhibit A1 presents a profile of participants in Youth Internship Canada (YIC). This profile was developed from information obtained from the survey of YIC participants. A discussion of this profile is presented in Section 3.5.

EXHIBIT A1
Demographic, Social and Program Characteristics of YIC Participants

Gender	Female	42%
	Male	58%
	(N)* = (400)	
Age (in 1997)	Less than 20	16%
	20s	77%
	30s	5%
	40s	1%
	(N)* = (394)	
Marital status	Single (never married)	81%
	Married or common law	16%
	Separated, divorced or widowed	3%
	(N)* = (399)	
Number of financially dependent children under 13	None	87%
	One	8%
	Two or more	5%
	(N)* = (325)	
Formal education level	Less than high school	12%
	Graduated from high school	22%
	Some post-secondary	18%
	College certificate or diploma	27%
	University degree	21%
	(N)* = (399)	
Region	Atlantic	18%
	Ontario	25%
	Quebec	22%
	West	34%
	(N)* = (400)	
Project status	Ongoing	31%
	Completed project	56%
	Left project early	13%
	(N)* = (385)	

* = the number of respondents

Appendix B: Profile of the Student Business Loans Program

Student Business Loans Program

EXHIBIT B1
Demographic, Social and Program Characteristics of Participants in Student Business Loans Program

Type of Participant	Individual student	95%
	Group of students[1]	5%
	(N)** = (1172)	
Gender	Female	29%
	Male	71%
	Both[2]	*
	(N)** = (1172)	
Age	14 to 15	10%
	16 to 17	29%
	18 to 19	21%
	20 to 24	30%
	25 to 29	5%
	30 or more	5%
	(N)** = (1172)	
Education Level	High school	37%
	CEGEP	4%
	College	19%
	University	40%
	(N)** = (1167)	
Province[3]	Newfoundland	4%
	Quebec	15%
	Manitoba	13%
	Saskatchewan	33%
	Alberta	23%
	British Columbia	11%
	Northwest Territories	*
	(N)** = (1171)	
Dollar Amount Authorized	Less than $1000	2%
	$1000 to $1999	7%
	$2000 to $2999	7%
	$3000	84%
	(N)** = (1172)	
Case Counseling Received	Yes	50%
	No	50%
	(N)** = (1172)	
Participated in Seminar	Yes	8%
	No	92%
	(N)** = (1172)	

In all tables throughout report,
* indicates less than 1%.
** = the number of respondents

1 Includes cases where groups of students who were not all the same gender received funding.

2 These cases are included in the general analysis that follows. The database contains a single value for age, education level and other variables, with the exception of gender. In all cases but two (representing 4% of all *groups of individuals* funded), the groups of individuals receiving funding were all of the same gender. 75% involved groups of male students, with the remaining 21% being groups of women.

3 Excludes one participant whose province is Ontario as that province did not participate in the program.

Types of Businesses Started under the Student Business Loans Program

As Exhibit B2 shows, in Manitoba and Saskatchewan, the majority of businesses started are in the agricultural industries. Alberta also has a high proportion of businesses started in the agricultural industries and in service industries incidental to agriculture.

EXHIBIT B2
Standard and Industrial Classification of Businesses by Province

	Nfld.	Que.	Man.	Sask.	Alta.	B.C.	TOTAL
Agricultural industries	2%	2%	59%	87%	38%	7%	46%
Service ind. incidental to agriculture	0%	0%	1%	1%	10%	1%	3%
Trade contracting industries	4%	34%	13%	4%	18%	24%	15%
Business service industries	6%	11%	3%	1%	5%	18%	6%
Food service industries	20%	2%	4%	1%	3%	5%	3%
Services to buildings and dwellings	8%	7%	7%	2%	7%	8%	5%
Other	60%	45%	14%	5%	20%	37%	22%
Total	100%	100%	100%	100%	100%	100%	100%
(Number of respondents)	(50)	(181)	(151)	(381)	(272)	(132)	(1171)

[1] The Northwest Territories are excluded as they only had 4 participants (all 4 businesses are in the "other" category).

Employees Hired by the Student Businesses

Seventy-four percent of businesses have one employee (presumably the student). Another 5% have more than one employee, but also had more than one student as part of the funding. The breakdown for the number of employees is shown in Exhibit B3.

EXHIBIT B3
Number of Employees

1 (the student) or multiple cases[1]	79%
2	6%
3 to 5	5%
6 to 9	7%
10 or more	3%
Total	100%
(Number of respondents)	(1172)

[1] Includes cases where the participant is a group of students.

Several factors contribute to whether or not student businesses have employees:

- Those age 20 or older are much more likely to have employees than those under age 20, with the 25-to-29 year-olds being the most likely to have employees (48% have at least two employees).

- Consequently, college and university students are also much more likely to have employees (40% of each do). Twenty-nine percent of college students have employees and 7% of high school students do.

- Those who received $3000 are slightly more likely to have employees than those who received less.

- Students in Quebec (54%), British Columbia (50%) and Newfoundland (36%) are the most likely to have employees.

- Women are 10% less likely than men to have employees.

Program Supports

Some students who received funding from the program also received case counseling (project related training provided by the Business Development Bank of Canada) and/or took part in seminars through the program. As Exhibits B4 and B5 show, these supports were used to different extents in different provinces.

EXHIBIT B4
Received Case Counselling as Part of Program Participation by Province[1]

	Nfld.	Que.	Man.	Sask.	Alta.	B.C.	Total
Yes	38%	49%	19%	48%	27%	76%	50%
No	60%	51%	82%	52%	73%	24%	50%
Total	100%	100%	100%	100%	100%	100%	100%
(Number of respondents)	(50)	(181)	(151)	(381)	(272)	(132)	(1171)

[1] The Northwest Territories are excluded as they only had four participants (none of these received case counselling).

British Columbia used case counseling much more than any other province, with 76% of participants having received counseling. It was used the least in Manitoba, where 17% received counseling.

EXHIBIT B5
Participated in Seminar as Part of Program Involvement by Province[1]

	Nfld.	Que.	Man.	Sask.	Alta.	B.C.	Total
Yes	2%	14%	0%	0%	22%	6%	8%
No	98%	86%	100%	100%	78%	94%	92%
Total	100%	100%	100%	100%	100%	100%	100%
(Number of respondents)	(50)	(181)	(151)	(381)	(272)	(132)	(1171)

[1] The Northwest Territories are excluded as they only had four participants (none of these participated in a seminar).

Participants in Alberta are the most likely to have participated in a seminar (22% did) followed by Quebec (14%). In Manitoba and Saskatchewan, no participants went to a seminar.

Province is the overriding factor related to participation in case counselling and attendance at seminars. Any other relationships are a function of the one with province.